Exclusion of Private oil Companies from Oil Subsidy

1494. SHRIMATI BIMBA RAIKAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are considering exclusion of privately owned Oil Companies like Reliance Petroleum for subsidizing supplies of LPG and Kerosene meant for weaker sections of the society;

(b) if so, the reasons therefor; and

(c) whether Government would come forward to make it mandatory for the oil industry, including private sector, to" share its burden of supporting the weaker sections?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) to (c) As per the Government decision on dismantling of Administered Pricing Mechanism (APM) in the petroleum sector, the Government subsidy on PDS kerosene and Domestic LPG is on flat rate basis and after accounting for the same, the Oil Marketing Companies (OMCs) could vary the retail selling prices in line with the variations in the interenational prices of these products.

PDS kerosene and Domestic LPG are domestic fuels of mass consumption. Passing of higher international prices of these products in the domestic selling prices would have hurt the consumers. The matter was therefore re-examined and it was decided in the consumer interest that the OMCs will not increase the selling prices of these products during 2003-04 and the resultant under-recoveries of OMCs would be absorbed/ shared amongst the oil companies.

As it is the Government decision to freeze the prices of PDS Kerosene and domestic LPG upto 31.3.2004, as such in a deregulated scenario, the burden on this account has to be shared/absorbed amongst the Government companies and the private companies are not being asked to share such burden.

Employees killed in ONGC Helicopter crash

1495. SHRI ABANI ROY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to the answer to Starred Question